GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:5113
ANSWERED ON:05.04.2017
Improving Traffic Volume
Innocent Shri

Will the Minister of RAILWAYS be pleased to state:

(a) whether during the last few years, Railways have been incapable in coping up with the increasing transport demand and also raising/improving the traffic volume and flows at lower unit cost of operation;

(b) if so, the reasons therefor;

(c) whether the scarcity of funds is hampering the ongoing and survey related projects and if so, the details thereof;

(d) whether the Railways are short of funds for undertaking infrastructural expansion; and

(e) if so, the steps taken/being taken by the Railways to increase revenue generation?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI RAJEN GOHAIN)

(a) & (b) No, Madam. Indian Railways has been able to cater to the existing demands of transport.
(c) & (d) Scarcity of funds was one of the important factors that had affected execution of railway projects as Railway projects are highly capital intensive and have long gestation period. The funds for the Railway projects are allocated project-wise on yearly basis and is done as per availability of resources and progress of the project. However, the scarcity of funds has never affected the survey work. But now, to improve the funding scenario of Railway Projects, the following steps have been taken:
1. Making higher fund allotment for projects.
2. The capital expenditure for railways has been increased from ?58,718 crore in 2014-15 to around ?93,795 crore in 2015-16.
3. ?1,21,000 crore has been provided in Budget 2016-17 and a plan size of ?1,31,000 crore has been kept for 2017-18.
4. Institutional financing by tying up loan for ?1.5 lac crore for assured funding of viable projects has increased Railway's capacity for committed fund provision for capacity enhancement projects.
(e) Railways' revenue enhancing measures, inter alia, include targeting progressively higher traffic throughput, effective marketing strategies to capture more and more traffic, creation of additional capacity and optimum utilisation of the existing rail infrastructure, enhancement in productivity and efficiency, improvement of passenger interface, periodic rationalisation of fare and freight rates and focus on increasing the share of non-fare revenue sources in Railways' earnings.

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